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August 9, 2006

VIA HAND DELIVERY

Caroline O'Brien Bulger, Esq., Hearing Officer
Department of Telecommunications and Energy
One South Station
Boston, MA 02110

Re: Bay State Gas Company, D.T.E. 06-31

Dear Madame Hearing Officer:

By this letter, Bay State Gas Company respectfully requests that a procedural schedule be issued in this proceeding commensurate with the Revised Procedural Schedule set forth herein. Bay State also seeks an expedited ruling of this request and a stay on any further discovery issued today or hereafter by the Intervenor while the ruling is pending.

In support thereof, Bay State states as follows. Bay State has an interest in the orderly progress and steady conclusion of this proceeding so that it can commence business planning with respect to those operations that may be impacted by the Department's investigation. Bay State provided the Intervenor to D.T.E. 06-31, both full parties and limited participants, an opportunity to comment on a draft of this letter. Responses were received by electronic mail from each party: the responses received are summarized below, and Bay State understands that certain parties intend to file their own responses.

The background for this request is brief. On June 9, shortly following the procedural conference at the Department, Bay State filed its comments on the procedural schedule proffered by the UWUA, and proposed that Intervenor discovery be issued on June 23 and July 21, that Intervenor announce whether they will file a direct case on June 30 and then that they file their direct cases on August 11. The schedule included a ten working-day turn-around for discovery. The proposed deadlines on this schedule have lapsed and none of the Intervenor have expressed to the Department any intent to offer a direct case.

On July 18, 2006, Bay State joined with the Intervenor to file a Joint Motion to Extend the Procedural Schedule to permit the Department to issue its order after the third quarter of 2006, which was the date envisioned by the Department's Order in D.T.E. 05-

27. Bay State further requested by letter filed on July 21, an order from Department to close this matter by January 19, 2007. On August 8, the Joint Motion was granted. The Company's letter request has not yet been acted upon.

Please note that all Intervenors have been issuing discovery since mid-June and Bay State believes it is fair to say that every party has fully expected the Department would duly issue a procedural schedule. To date, the Attorney General has issued two rounds of discovery (the latest on August 7); the USW has issued two rounds (the latest on August 7); and the UWUA has issued three rounds. All earlier proposed schedules (of Intervenors) included sufficient time for two rounds of discovery.

BAY STATE'S REVISED PROCEDURAL SCHEDULE FOR D.T.E. 06-31 (Aug. 9, 2006)



Last Round of Intervenor discovery	August 7, 2006
Discovery Responses due	August 21, 2006
Hearings	September 18, 19, 20, 21 (as needed)
Initial Briefs:	Intervenor due October 11; Bay State due October 25
Reply Briefs:	Intervenor due November 1; Bay State due November 6
Department Order Issued	January 19, 2007

In response to Bay State's draft letter including this schedule, the Attorney General indicated his intent to file an opposition seeking additional time to propound discovery; Local 273 simply indicated it opposed the schedule; USW indicated its opposition because of a newly stated intent (now on August 9) to present a witness and the need to conduct even more discovery, in addition to having conflicts during two of the four proposed hearing dates. None of the limited participants (KeySpan, Berkshire Gas Company, or Unitil/Fitchburg Gas & Electric Light Company) indicated any concern with Bay State's proposal.

After receiving last evening the draft letter with Bay State's proposed schedule, the USW within the last hour filed a Third Set of Information Requests. Accordingly, Bay State respectfully asks the Department, using its sound discretion and to ensure an efficient and orderly resolution of this proceeding, to approve the Procedural Schedule proffered by Bay State herein, to expedite its ruling on procedure and to stay all further discovery issued today and hereafter until such guidance is provided.

Thank you for your consideration.

Very truly yours,


Patricia M. French 

cc: A. John Sullivan, Esq.
Paul Osborne, Assistant Director
Alex Cochis, Assistant Attorney General, Office of the Attorney General
Service List